

*Gregory B. Hardcastle, C.P.A.*

---

**TULARE COUNTY ASSESSOR**

Tulare County Civic Center  
Visalia, California 93291  
559/733-6361

**INFORMATION FOR THE  
TULARE COUNTY  
PROPERTY OWNER**

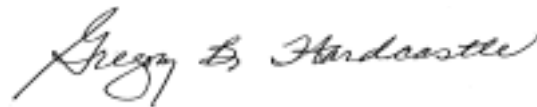


## **FORWARD**

The adoption of Article XIII A (Proposition 13) by the voters in 1978 brought about significant changes in property tax administration. It became imperative that all revenue sources be administered as efficiently and fairly as possible within the constraints established by the constitution, the legislature, the State Board rules, and the courts' rulings.

Proposition 13 significantly altered the County Assessor's property valuation program. Instead of appraising all properties periodically in accordance with a cyclical plan, the Assessor can only reappraise real property if there has been a change in ownership as defined by the Legislature. Newly constructed property is appraised as of the date of completion (or construction in progress as of January 1). This departure from the orderly plan that prevailed prior to 1978 places added burdens on the Assessor and seriously affects the workload and performance standards that prevailed in prior years.

Implementing Proposition 13, on-going complicated legislation, court decisions, large turnover of experienced staff, permanent staff reductions, due to the lack of an adequate budget, and uninformed property owners are major factors which contribute to making the local property tax system extremely difficult to administer. The continued importance of a fair property tax system requires good assessment practices, adequate resources, efficient administration, public understanding and total conformity with the law. We, in the Assessor's Office, are working diligently to serve the public in a fair and efficient manner in order to ensure that the public has confidence in our local property tax system.

A handwritten signature in cursive script that reads "Gregory B. Hardcastle".

GREGORY B. HARDCASTLE  
TULARE COUNTY ASSESSOR

## **THE ASSESSOR**

The Assessor has the responsibility for annually discovering and assessing all property within the County as required by law. The Assessor must produce and deliver an assessment roll by July 1 of each year. The Assessment Roll becomes the base upon which local property taxes are levied, collected and distributed to the state (schools), cities, development agencies, special districts, and the County of Tulare.

The Assessor:

- Values all taxable and real property in the County.
- Audits entities doing business in the County.
- Processes all property tax related exemptions in the County.
- Establishes and maintains a set of approximately 5100 maps for assessment purposes, delineating every parcel of land in the County. These parcel maps serve as the basis for the assessment of real property in Tulare County for the approximately 135,000 parcels. These maps are continuously updated to reflect new subdivisions and surveys. The maps are available for review, both at the Assessor's office and on the Tulare County website. Full size (11" X 17") paper copies may also be purchased at the Assessors Office.
- Provides a public information service to assist taxpayers with questions regarding their property and about assessment practices.

Contrary to popular belief, the Assessor does not:

- Set property tax rates.
- Compute property tax bills.
- Mail out tax bills.
- Establish property tax laws.
- Collect property taxes.
- File liens for property tax delinquencies.

To establish the value of any parcel of property, the Assessor may need to know the purchase price (if any), the selling prices of similar properties, what it costs to replace it, what rent it may earn, how much it takes to operate and keep it in repair and many other facts affecting its repair, and all persons who have any beneficial/legal interests in the property.

### **PROPOSITION 13**

Passed by the voters in June, 1978, Proposition 13 substantially changed the taxation of real property in California. As a result of this Constitutional amendment, the assessment year 1975-76 serves as the original base year and the market value base for individual real property assessments.

- The maximum amount of property tax cannot exceed 1% of the property's appraised value, plus any bonds or fees approved by the voters.
- Real property can only be reappraised upon a change in ownership or new construction. Business personal property, boats and airplanes, and certain restricted properties are subject to annual appraisal.
- Except for these two instances, no increase in the assessed value of any real property can exceed 2% annually, regardless of the rate of inflation.

### **SUPPLEMENTAL ASSESSMENT** (Senate Bill 813-July, 1983)

State law requires the Assessor's Office to reappraise property upon change in ownership or completion of new construction. The Assessor's Office must issue a supplemental assessment which reflects the difference between the prior assessed value and the new assessment. This difference in value is prorated based on the number of months remaining in the fiscal year, ending June 30. (Generally, Supplemental Assessments are not accounted for in escrow dealings, but the new property owner should be made aware of the supplemental process.)

## **SUPPLEMENTAL ASSESSMENT** (continued)

This is in addition to the regular tax bill. Notices of the supplemental assessments are mailed out to property owners prior to the issuance of the tax bill. The owner has the right to file an application for appeal within 60 days of the date of notice. Because of legal and workload ramifications, it normally takes several months to generate a supplemental tax bill. If you acquire a piece of real estate or add real property improvements after January 1 and prior to May 31, you will receive two (2) bills.

## **PRELIMINARY CHANGE OF OWNERSHIP REPORT**

State law requires the property owner to file this form with the County Recorder when recording certain documents. If the form is not filed, the Recorder will charge an additional recording fee of \$20.00. The report is still required by law to be provided even though the \$20.00 may have been paid. Information furnished on this form by the property owner assists the Assessor and is not a public document. Failure to provide the Assessor with the report will result in substantial penalties.

## **BUSINESS PERSONAL PROPERTY**

Unlike real property, business personal property is re-appraised annually. The owners of all businesses who receive a property statement from the Assessor and/or have over \$100,000.00 cost in equipment and/or supplies are required by law to file a property statement with the Assessor's Office. Business owners must report in detail the costs of all supplies, equipment, fixtures and real estate at each location. If you owned the equipment on January 1, it is assessable to you. If equipment is out on lease or rent on January 1, it is reportable and assessable. Business inventory is exempt from taxation. Although you may no longer own the business, you are required to complete the Property Statement and advise the Assessor of the new owner name, address and date of sale.

### **MARINE AND AIRCRAFT**

Boats and airplanes are taxable and appraised annually. Their value is determined by reviewing the purchase price and the sales of comparable boats and airplanes, blue books, and guides provided by the State Board of Equalization. Information on their location and ownership is obtained from the Department of Motor Vehicles, the United States Coast Guard, the Federal Aviation Administration, airport managers, and on-site inspections.

### **MANUFACTURED HOMES (Mobilehomes)**

All new manufactured homes purchased after June 30, 1980, and those on permanent foundations, are subject to property taxes. As with real property, the assessed value on manufactured homes cannot be increased by more than 2% annually, unless there is a change in ownership or new construction. Manufactured homes bought before June 30, 1980 are generally not subject to property taxes. They should be licensed, which is under the jurisdiction of the State Department of Housing and Community Development. They can be reached (toll free) at 1-800-952-8356. Once a license has not been renewed, the manufactured home becomes subject to property taxes. If a manufactured home is destroyed by a calamity, then there are legal provisions available to relieve an unfair tax burden.

### **ASSESSMENT APPEALS**

Differences over the valuation of property are handled by the Assessment Appeals Board. This is an independent board composed of three private citizens (and two alternates) appointed by the County Board of Supervisors. They consider all evidence presented by the property owner and the Assessor's Office at a formal hearing. The Appeals Boards then determines the value of the property in question. Appeals for regular assessments must be filed between July 2 and **November 30**. Appeals on supplemental assessments must be filed within 60 days of the date on the supplemental notice. The Assessor's Office is always willing to attempt to remedy value disputes, but you must come into our office or call in order to bring the matter to our attention.

### **ALL APPLICATIONS FOR ASSESSMENT APPEAL MUST BE FILED WITH**

THE CLERK OF THE BOARD OF SUPERVISORS  
2800 W. BURREL AVE  
ADMINISTRATION BUILDING, COUNTY CIVIC CENTER  
VISALIA CA 93291 Telephone: (559) 733-6271

## **WILLIAMSON ACT** (Ag Preserve)

The California Land Conservation Act of 1965, commonly referred to as the Williamson Act, is a tax relief measure for owners of farmland. The act permits a landowner, whose land is used for farming, to sign a contract with the County guaranteeing that the land will continue to remain in farming for a period of at least 10 years. In return for this guarantee, the Assessor annually values land and growing improvements in the Act using a restricted income approach rather than the market value. The farmer gets the benefit of being taxed on the lower of the total base year value, current market value, or restricted (AG Preserve) value. Generally, this means the taxes for the farmer are reduced, sometimes greatly. You must apply to the Tulare County Planning Department by October 15 to receive Williamson Act benefits for the following tax year if you wish to place your farm property into the AG Preserve. The Assessor's Office may require you to report data pertaining to your agriculture parcels via an AG Preserve Questionnaire.

In 1998 California Senate Bill 1182 created the Farmland Security Zone. The following year the Tulare County Board of Supervisors established procedures for creating Farmland Security Zones here in Tulare County. Certain agricultural properties located within these zones, and having been designated as "prime", may elect to establish contracts under this law. Under the Farmland Security Zone provisions contracts are extended from 10 years to 20 years, with increased cancellation penalties. Additional property tax benefits, that amount to an additional 35% decrease in property taxes, are given for the enrollment of property into a Farmland Security Zone contract.

## **EXEMPTIONS, EXCLUSIONS AND TAX RELIEF**

**HOMEOWNER'S EXEMPTION:** If you own a home and occupy it as your principle place of residence on January 1, you may apply for an exemption of \$7,000 off your assessed value. New property owners will automatically receive an exemption application. Homeowner's Exemptions may also apply to the supplemental assessment if the property has not received the exemption on the prior Assessment Roll.

**INSTITUTIONAL EXEMPTIONS:** Property used exclusively for a church, college, cemetery, museum, school, or library qualifies for an exemption. Properties owned and used exclusively by a non-profit religious, charitable, scientific, or hospital corporation are also eligible. In order to qualify for exempt status, the organization must file an exemption with the Assessor's Office.

**PARENT/CHILD EXCLUSION:** (Proposition 58) The transfer of the principle place of residence between parents and children (and the transfer of up to \$1 Million for any other real property between parents and children) is also excluded from reappraisal if an application is timely filed. Applications are available by writing or calling the Assessor's

Office.

The exclusion must be filed within three years of the date of transfer or prior to a transfer to a third party, **or within 6 months of the first Value Change Notice to receive the maximum benefit. Any other filing will only affect future assessments.**

**REASSESSMENT EXCLUSION FOR SENIORS:** (Proposition 60) Owners may avoid property tax increases when they sell their existing home and buy or build a replacement home under certain circumstances. First, the applicant or spouse must be 55 years of age or older, and the property must be the principle place of residence. In addition there are limits on the value of the replacement home. The new residence must be valued by the Assessor at less than the “arms length” selling price of the former home in order to qualify. The replacement residence must be purchased after November 6, 1986, and within two years from the sale of the original property. Both the original and replacement properties must be eligible for a Homeowner’s Exemption and be located within Tulare County. Application forms are available in the Assessor’s Office.

**VETERANS EXEMPTION:** In order to be eligible for a Veterans Exemption, a single veteran must not have assets over \$5,000. A married veteran (or a veteran’s unremarried widow) must not have assets valued over \$10,000.

**BUILDER’S EXCLUSION:** This is an exclusion for new construction from the supplemental assessment. The property must be held for sale and the builder must file the necessary claim form with the Assessor prior to or within 30 days from the start of construction. If the form is not filed, a supplemental assessment is made to the builder upon completion of the construction. If the form is filed, a supplemental assessment is not made until the property is sold to the new owner. Otherwise, the value of the property will go on the regular January 1 Assessment Roll. Substantial penalties and denial of the exclusion can result if the contractor abuses the requirements of the exclusion.

**DISASTER RELIEF:** If a major calamity such as fire or flooding damages or destroys your property, notify the Assessor’s Office so the value of the destroyed property can be removed from your appraisal. If you rebuild an equivalent structure in a timely manner, the property will retain its previous value for assessment purposes. You have **12 months** from the date of the calamity to file a claim. There must be at least **\$10,000** worth of damage to qualify. Any reduction will be prorated for the balance of the fiscal year ending June 30 or whenever the damage is corrected, whichever occurs first.



## **IMPORTANT DATES FOR PROPERTY OWNERS**

January 1	:	The lien date for the assessment of property for the regular assessment roll applies as of 12:01 a.m. on the first day of January each year.
February 15	:	Legal deadline for filing exemption claims.
APRIL 1	:	Due date for Business Property Statements.
APRIL 10	:	Deadline for payment of second installment of secured property taxes.
July 1	:	Assessment Roll delivered by Assessor to County Auditor.
July 2 thru	:	Period during which the Clerk of the Board accepts petitions for
August 1	:	Deadline for late filing on Historical Aircraft exemption
<b>November 30</b>	:	Assessment Appeals Board hearings for the "normal assessment period".
August 31	:	Deadline for payments of unsecured property taxes.
December 10	:	Deadline for late filing of Homeowner's and Veterans' Exemptions to qualify for a partial exemption.
December 10	:	Deadline for payment of first installment of secured property taxes. (Other payment periods may apply for Supplemental Assessments and Escape Assessments.)

☆ ☆ ☆ ☆ ☆ ☆ ☆ ☆ ☆ ☆ ☆ ☆ ☆

This booklet has been prepared by your County Assessor, an elected official, and is intended to be a general guideline. Copies of the booklet are available in both English and Spanish at the Assessor's main office. The booklet, commonly-used forms and Assessor maps can also be accessed at the Tulare County Assessor/Clerk-Recorder's web-site ([www.co.tulare.ca.us/government/prop\\_vital/assessor](http://www.co.tulare.ca.us/government/prop_vital/assessor)). For more specific information, please contact our office at:

**GREGORY B. HARDCASTLE, TULARE COUNTY ASSESSOR**  
**221 S. MOONEY BLVD, ROOM 102-E; VISALIA CA 93291**  
**Telephone: (559) 733-6361**

ALL STATEMENTS IN THIS PAMPHLET ARE ACCURATE AS OF THE **TIME OF PRINTING, DECEMBER 2004.**

☆ ☆ ☆ ☆ ☆ ☆ ☆ ☆ ☆ ☆ ☆ ☆ ☆

## **DEFINITION OF TERMS TO ASSIST YOU**

**FULL CASH VALUE:** If you owned your property before March 1, 1975, the “full cash” value will be the 1975 base year value established by the Assessor prior to June 30, 1980 increased by **up to** 2% per year in accordance with Proposition 13. If you acquired or constructed the property since March 1, 1975, “full cash” value is the value at the time you took title or completed construction, plus **up to** 2% each year thereafter.

**BASE YEAR:** The assessment year 1975-76 serves as the original base year. Thereafter, an assessment year in which real property, or a portion thereof, is purchased, is newly constructed or changes ownership shall become the base year in determining the full value for such real property, or a portion thereof.

**IMPROVEMENTS:** This is the value of any buildings or structures existing on land whether new or old. Improvements may also include certain commercial and industrial fixtures, irrigation and some commercial farm plants or vines.

**PERSONAL PROPERTY:** This means any property that you own other than real estate. It includes airplanes, boats, business property such as supplies, office furnishings, machinery or equipment.

**SECURED PROPERTY:** Property on which the property taxes are a lien against real estate.

**UNSECURED PROPERTY:** Property on which the property taxes are not a lien against real estate (office furniture, machinery, equipment, boats, airplanes, etc.). Note: Business inventory is exempt from taxation. (If equipment is held for sale or lease in the ordinary course of business, and is out on January 1, it is assessable.)

**TAX RATE:** The County levies an advalorem property tax at a rate equal to one percent (1%) of the full cash value. In addition, the rate will include an amount equal to the amount needed to make annual payments for the interest and principal on general obligation bonds or other indebtedness approved by the voters prior to July 1978.

## **DEFINITION OF TERMS TO ASSIST YOU** (continued)

**SPECIAL ASSESSMENTS**: Direct charges against property which are included in the total amount of your tax bill but which are not property taxes in the sense of being based on the Assessor's valuation, such as a sewer service charge. Your taxes may increase from one year to the next, but any increase over 2% may be due to a special assessment increase.

**UNRECORDED CONTRACTS OF SALE**: If you acquire real estate via a contract of sale which is not recorded, you must report it to the Assessor's Office. In the event we discover an unrecorded contract, we go back as far as the statutes allow and enroll escaped assessments.

**NEW CONSTRUCTION - UNREPORTED**: If you acquire real property improvements to your property and the Assessor is not notified (via building permits, letter, or business property statements), upon discovery, we are required to go back as far as the statutes allow and enroll escape assessments. Many discoveries are made upon the sale of a property and the escape property is assessed to the seller.

**PROPERTY VALUES**: Values are established by one or more appraisal methods: replacement cost estimate, market sales, and/or income approach. The sale price of a piece of property is not necessarily the value we place upon the property. We are required to place a fair value on your property based upon various indicators and whether or not we consider your acquisition as an "arm's length" transaction.

**SIGNIFICANCE OF THE JANUARY 1 LIEN DATE**: Property taxes are determined as of the lien date. Both the value of the property and the owner of record are important considerations. In Tulare County, assessments are enrolled in the name of the owner of record, if known, as of January 1. Some tax bills (which are sent by the Tax Collector) however, are not sent to the owner of record as of January 1, but are mailed to the owner of record at the time the bill is physically generated.

**SIGNIFICANCE OF JANUARY 1 LIEN DATE** (continued)

If you acquire property, an escrow company normally handles the title search and the proration of expenses, including property taxes, between the buyer and the seller. The new buyer should be aware of the property tax implications and make every effort to see that the taxes are paid timely even though the property may not have been owned on January 1. The tax bill may have been sent to the prior owner, who sometimes throws it away. If you acquire real estate, you should make certain that the property is free of a business personal property assessment on it (through escrow) if you are not acquiring the business personalty with the parcel.

**CHANGE IN OWNERSHIP:** A transfer of the right to present beneficial use of real property which is substantially equal to the value of the fee interest, whether the transfer is voluntary, involuntary or by the operation of law. Transfers include gifts, grants, inheritances, corporate stock and partnership share changes, boundary agreements, leases, and any other means. [§462(a)(2), Title 18, California Code of Regulations.]

**CONFIDENTIAL RECORDS:** Appraisal Records, Property Statements, Change in Ownership Statements, documents containing Social Security numbers, Market Data Questionnaires, and Audit data.

**VALUATION NOTIFICATION:** Are only sent out by the Assessor's Office if there is a change in the value greater/or less than 2% over that of the previous year.

☆☆

WE WORK FOR THE TULARE COUNTY PROPERTY OWNER AND WISH TO ENSURE A FAIR, OBJECTIVE, AND PROFESSIONAL APPROACH TO YOUR PROPERTY VALUES. IN THE EVENT THAT YOU DO NOT FEEL THAT A FAIR VALUE HAS BEEN PLACED UPON YOUR PROPERTY, IT IS EXTREMELY IMPORTANT THAT YOU CONTACT OUR OFFICE SO THAT WE CAN REMEDY AN UNFAIR SITUATION IN THE EVENT THAT ONE DOES EXIST.

☆☆